# BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for transfer of majority organizational control of Sanlando Utilities Corporation in Seminole County to Utilities, Inc.

DOCKET NO. 980957-WS
ORDER NO. PSC-99-0152-FOF-WS
ISSUED: January 25, 1999

The following Commissioners participated in the disposition of this matter:

JOE GARCIA, Chairman J. TERRY DEASON SUSAN F. CLARK JULIA L. JOHNSON E. LEON JACOBS, JR.

ORDER DECLINING TO INITIATE SHOW CAUSE PROCEEDINGS,
APPROVING TRANSFER OF MAJORITY ORGANIZATIONAL CONTROL,
AND CLOSING DOCKET

BY THE COMMISSION:

#### Background

On July 29, 1998, Utilities, Inc. filed an application for transfer of majority organizational control of Sanlando Utilities Corporation (Sanlando or utility) to Utilities, Inc., pursuant to Section 367.071, Florida Statutes. Sanlando is a Class A utility located in Altamonte Springs, Florida. Sanlando's service area lies within the St. John's River Water Management District, which has been declared a water use caution area. The utility operates three water and two wastewater plants providing service to approximately 9,872 water and 8,889 wastewater customers.

On July 2, 1998 Sanlando and Utilities, Inc. entered into an agreement whereby Utilities, Inc., in a cash transaction, purchased all of the stock of Sanlando from Lake Holding, Inc. The transfer occurred without Commission approval.

On July 31, 1998, Utilities, Inc. provided notice of the application for transfer pursuant to Section 367.071, Florida Statutes, and Rule 25-30.030, Florida Administrative Code. On

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September 4, 1998, Florida Water Services Corporation (FWSC) filed an objection to the application and requested a formal hearing. FWSC stated that it filed the objection because the legal description of the territory to be transferred appeared to overlap FWSC's Commission-approved territory for its Apply Valley and Meredith Manor service areas.

On September 11, 1998, Utilities, Inc., filed a motion to dismiss FWSC's objection. By Order No. PSC-98-1640-FOF-WS, issued on December 7, 1998, the Commission granted the motion to dismiss the objection upon determining that the stock sale will not impact the question of whether there is overlapping territory between Sanlando and FWSC.

Utilities, Inc.'s application was found to be deficient as filed. The deficiencies were corrected and filed with the Commission on October 1, 1998.

## Show Cause

As discussed above, on July 2, 1998, Sanlando and Utilities, Inc., entered into an agreement for the transfer of the utility stock and in a cash transaction, Utilities, Inc., purchased all the stock of Sanlando. By entering into the contract for the sale of the utility to Utilities, Inc., prior to Commission approval, Sanlando is in apparent violation of Section 367.071, Florida Statutes.

Section 367.071(1), Florida Statutes, requires that no utility may transfer its majority organizational control without determination and approval of the Commission that the buyer will fulfill the commitments, obligations, and representations of the utility. Section 367.161(1), Florida Statutes, authorizes the Commission to assess a penalty of not more than \$5,000 for each offense, if a utility is found to have knowingly refused to comply with, or to have willfully violated, any provision of Chapter 367, Florida Statutes.

Utilities are charged with the knowledge of the Commission's rules and statutes. Additionally, "[i]t is a common maxim, familiar to all minds that 'ignorance of the law' will not excuse any person, either civilly or criminally." Barlow v. United States, 32 U.S. 404, 411 (1833). Thus, the utility's failure to obtain antecedent Commission approval to transfer the majority organizational control of its corporate grandparent, would meet the

standard for a "willful violation." In Order No. 24306, issued April 1, 1991, in Docket No. 890216-TL titled In Re: Investigation Into The Proper Application of Rule 25-14.003, F.A.C., Relating To Tax Savings Refund for 1988 and 1989 For GTE Florida, Inc., the Commission, having found that the company had not intended to violate the rule, nevertheless found it appropriate to order it to show cause why it should not be fined, stating that "'willful' implies an intent to do an act, and this is distinct from an intent to violate a statute or rule." Id. at 6.

Nevertheless, we do not believe that the utility's apparent violation of Section 367.071(1), Florida Statutes, rises to the level of warranting that a show cause order be issued. According to Utilities, Inc., the parties could not wait until after Commission approval to transfer the organizational control of Sanlando due to a number of pending matters that required immediate attention and which could not be handled financially by the previous owners of Sanlando. For example, Sanlando is involved in a challenge by a homeowners' association to the issuance of the renewal of its wastewater treatment plant operating permit by the Florida Department of Environmental Protection (FDEP). resolution of that dispute will most likely require a substantial financial commitment which the prior owners of Sanlando could not make. Moreover, in a related matter, a number of homeowners filed a lawsuit against Sanlando contending that the effluent from its wastewater treatment plant has polluted a lake which they contend that they own. A substantial defense is needed to be undertaken with regard to these lawsuits, with the attempt to negotiate settlements requiring a substantial financial investment which the prior owners of Sanlando were not willing to meet. Additionally, there are two other dockets pending before the Commission involving Sanlando which require substantial effort and financial commitment which the prior owners of Sanlando are not willing to make. One docket involves an application for approval of a reuse plan to provide treated effluent to several golf courses and a nursery. The other involves an overearnings investigation, which Utilities, Inc., contends that it should handle because, assuming the Commission approves the stock transfer, it is Utilities, Inc., that will be financially affected by an adverse outcome of that investigation.

We further note that the agreement for the transfer of the utility stock between Sanlando and Utilities, Inc. contains a regulatory clause recognizing that the sale is subject to the Commission's jurisdiction and that if the application for approval

of transfer of the majority organizational control of the utility is denied, the parties will unwind the transaction.

For the foregoing reasons, we do not find that Sanlando's apparent violation of Section 371.071, Florida Statutes, warrants the initiation of a show cause action in this docket. Therefore, a show cause proceeding will not be initiated against Sanlando for failing to obtain Commission approval prior to the transfer of the utility stock to Utilities, Inc.

## Application

Except as discussed previously, the application is in compliance with Section 367.071, Florida Statutes, and other pertinent statutes and provisions of the Florida Administrative Code. In particular, the application contains a filing fee in the amount of \$6,000, pursuant to Rule 25-30.020(2)(c), Florida Administrative Code. The application also contains a warranty deed in the name of Sanlando, as proof that the utility owns the land upon which its facilities are located, in accordance with Rule 25-30.037(3)(i), Florida Administrative Code.

Utilities, Inc. provided proof of compliance with the noticing provisions set forth in Rule 25-30.030, Florida Administrative Code, including notice to the customers of the system being transferred. Two letters were received from customers stating that insufficient information was provided in the notice. These concerns were addressed by the Commission staff in correspondence to the two customers. Also, as discussed previously, FWSC filed an objection to the application on September 4, 1998, and requested a formal hearing. By Order No. PSC-98-1640-FOF-WS, issued December 7, 1998, the Commission granted Utilities, Inc.'s motion to dismiss the objection, which was filed on September 11, 1998. No other requests for hearing have been received.

With regard to technical ability, Utilities, Inc. has approximately thirty-one years of experience in the water and wastewater utility industry. Utilities, Inc. also has twenty-one years of experience operating utilities under the regulation of this Commission. The Florida subsidiaries are in good standing with the Commission. Utilities, Inc. currently operates ten separate subsidiaries certificated by the Commission serving approximately 12,000 water and 23,000 wastewater customers. At the present time, Utilities, Inc. provides safe and reliable water and

wastewater service to approximately 165,000 customers in fifteen states.

Utilities, Inc., indicates that the purchase of the Sanlando stock is a cash transaction and that it will fulfill the commitments, obligations and representations of the transferor. Utilities, Inc. shall assume responsibility for the payment of the 1998 regulatory assessment fees and the filing of the 1998 annual report.

With regard to financial ability, from information provided with the application, Utilities, Inc. has the financial ability to ensure continued operation of the utility. The First Union Bank financed a two-year loan of \$9,956,668 for the purchase of the common stock of Sanlando. The note has an interest rate of 6.94 percent, and can be renegotiated at the end of the two-year note. Utilities, Inc. has the financial resources to provide investment capital at reasonable rates to Sanlando.

The previous owner originally established the utility as a necessary component of the development, and is no longer interested in continuing to own and operate the systems. Utilities, Inc. appears to be committed to making the capital expenditures necessary to continue to provide the high quality of service that the Sanlando customers receive.

In view of the foregoing, we find that the transfer of majority organizational control of Sanlando from Lake Holding, Inc. to Utilities, Inc. is in the public interest and it is approved. The territory Sanlando is authorized to serve is shown on Attachment A of this Order, which by reference is incorporated herein.

### Rate Base

It is Commission practice not to establish rate base in transfers of majority organizational control because stock is publicly traded and has no regulatory relationship to rate base. Thus, different ownership of stock does not affect a utility's rate base balance. Consequently, the stock purchase price and rate base are not considered in making a determination that the transfer of majority organizational control is in the public interest.

Further, establishment of rate base in this docket would result in unnecessary deviation from Commission practice, and we do

not believe the circumstances in this case warrant such a deviation. The sale of stock to Utilities, Inc. will not alter Sanlando's asset and liability accounts. Accordingly, the transfer of stock ownership will not change the rate base balance.

Based on the foregoing, we do not find it appropriate to establish rate base in this proceeding.

### Rates and Charges

Sanlando's water and wastewater rates became effective on December 5, 1997, pursuant to a 1997 price index rate adjustment. Rule 25-9.044(1), Florida Administrative Code, requires the new owner of a utility to adopt and use the rates, classifications and regulations of the former owner unless authorized to change by this Commission. Utilities, Inc. has not requested to change Sanlando's rates and charges and we see no reason to change them at this time. Utilities, Inc. shall continue to charge the rates and charges approved in Sanlando's tariff until authorized to change by this Commission in a subsequent proceeding. Sanlando has filed a revised tariff reflecting the change in issuing office. The tariff shall be effective for service rendered or connections made on or after the stamped approval date on the tariff sheets.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Sanlando Utilities Corporation shall not be required to show cause as to why it should be fined for its apparent violation of Section 367.071, Florida Statutes. It is further

ORDERED that the transfer of majority organizational control of Sanlando Utilities Corporation, Post Office Box 3884, Longwood, Florida, 32791-0884, from Lake Holding, Inc., Post Office Box 3884, Longwood, Florida, 32791-0884, to Utilities, Inc., 2335 Sanders Road, Northbrook, Illinois, 60062-6196, is hereby approved. The territory Sanlando Utilities Corporation is authorized to serve is shown on Attachment A of this Order, which by reference is incorporated herein. It is further

ORDERED that Utilities, Inc. shall assume responsibility for the payment of Sanlando Utilities Corporation's 1998 regulatory assessment fees and the filing of the 1998 annual report. It is further

ORDERED that the transfer of majority organizational control shall not change the utility's rate base balance. It is further

ORDERED that Utilities, Inc. shall continue to charge the rates and charges approved in Sanlando Utilities Corporation's tariffs until authorized to change by the Commission in a subsequent proceeding. It is further

ORDERED that the tariff filed by Sanlando Utilities Corporation reflecting the change in issuing officer shall be effective for service rendered or connections made on or after the stamped approval date on the tariff sheets. It is further

ORDERED that Docket No. 980957-WS is hereby closed.

By ORDER of the Florida Public Service Commission this  $\underline{25th}$  day of  $\underline{January}$ ,  $\underline{1999}$ .

BLANCA S. BAYÓ, Director Division of Records and Reporting

By:

Kay Flynn, Chief Bureau of Records

(SEAL)

RG/ALC

# NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Director, Division of Records and reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

ATTACHMENT A

# SANLANDO UTILITIES CORPORATION

# WATER AND SEWER SERVICE AREA SEMINOLE COUNTY

TERRITORY SERVED

Per Order No. 7128 in Docket No. 750737-WS (AP) Water

In Township 20 South, Range 29 East, Seminole County, Florida.

All of Sections 23, 31, 32, 34, and 35.

SECTION 24: All of said Section 24 lying West of Interstate 4 (State Road 400).

SECTION 25: All of said Section 25 lying West of Interstate 4 (State Road 400); the West 1/2 of the Southwest 1/4 of the Southeast 1/4 of the Southwest 1/4 and the Northwest 1/4 of the Southeast 1/4 of the Southwest 1/4.

SECTION 26: All of said Section 26 lying West of Interstate 4 (State Road 400).

**SECTION 33:** All of said Section 33 less East 1/2 of the Southeast 1/4 of the Southwest 1/4 lying South of Wekiva Springs Road and less all of the Southeast 1/4 lying South of Wekiva Springs Road.

SECTION 36: Northwest 1/4 and West 660 feet of the Southwest 1/4 lying North of State Road 434, less South 195.8 feet of West 150 feet.

In Township 21 South, Range 29 East.

SECTION 1: The Northwest 1/4 of said Section 1.

SECTION 2: North 1/2 lying East of Interstate 4 (State Road 400); AND all of Blocks A, B, C, and D, Tract 26, Sanlando Springs, as recorded in Plat Book 5, Page 17; AND all of Blocks A

and B, Tract 27, Sanlando Springs, as recorded in Plat Book 4, Page 56, Public Records of Seminole County, Florida, of said Section 2.

SECTION 3: The East 1/2 and all of West 1/2 lying North of State Road 434 and East of Wekiva Springs Road.

SECTION 4: The North 3/4 of the West 1/4 of said Section 4.

SECTION 5: All of said Section 5 less the Southwest 1/4 of the Northeast 1/2.

SECTION 6: All of said Section 6.

SECTION 7: The North 1/4 of said Section 7

SECTION 8: The North 1/4 of said Section 8.

SECTION 10: All of said Section 10 lying East of Montgomery Road.

SECTION 11: All of Section West of State Road 400 (I-4) less and except the following described parcels: the Southwest 1/4 of the Northwest 1/4; the North 1/4 of the Northwest 1/4 of the Southwest 1/4; the Southwest 1/4 of the Northwest 1/4 of the Southwest 1/4; and the South 1/4 of the Southwest 1/4 of said Section 11.

#### Wastewater

In Township 20 South, Range 29 East, Seminole County, Florida.

All of Sections 23, 31, 32, 34, and 35.

SECTION 24: All of said Section 24 lying West of Interstate 4 (State Road 400).

SECTION 25: All of said Section 25 lying West of Interstate 4 (State Road 400); the West 1/2 of the Southwest 1/4 of the Southeast 1/4 of the Southwest 1/4 and the Northwest 1/4 of the Southeast 1/4 of the Southwest 1/4.

SECTION 26: All of said section 26 lying West of Interstate 4 (State Road 400).

SECTION 33: All of said Section 33 less East 1/2 of the Southeast 1/4 of the Southwest 1/4 lying South of Wekiva Springs Road and less all of the Southeast 1/4 lying South of Wekiva Springs Road.

SECTION 36: Northwest 1/4 and West 660 feet of the Southwest 1/4 lying North of State Road 434, less South 195.8 feet of West 150 feet.

In Township 21 South, Range 29 East.

SECTION 1: The North 5/8 of the Western 1/4 of said Section 1.

SECTION 2: All of said Section 2 lying West of State Road 400 (I-4) and all of the West 1/2 lying North of State Road 434 and East of Interstate 4, and all of the North 5/8 lying East of State Road 400 (I-4).

SECTION 3: The East 1/2 and all of the West 1/2 lying North of State Road 434 and East of Wekiva Springs Road.

SECTION 4: The North 3/4 of the West 1/4 of said Section 4.

SECTION 5: All of Section less areas presently assigned to Southern States Utility (Lake Brantley Isles Second Addition)

SECTION 6: All of said Section 6.

SECTION 7: The North 1/4 of said Section 7.

SECTION 8: The North 1/4 of said Section 8.

SECTION 10: All of said Section 10 lying East of Montgomery Road.

SECTION 11: All of Section West of State Road 400 (I-4) less and except the following described parcels: the Southwest 1/4 of the Northwest 1/4; the North 1/4 of the Northwest 1/4 of the Southwest 1/4; the Southwest 1/4 of the Northwest 1/4 of the Southwest 1/4, and the South 1/4 of the Southwest 1/4 of said Section 11.

Less and except, the water and wastewater area deleted Per Order No. 9843 in Docket Nos. 780727-W, 780813-WS, 780952-W:

Township 21 South. Range 39 East

Section 11: A portion of the Northeast 1/4 at the Northwest 1/4 more particularly described as follows:

A parcel of Land bounded on the North by North Street as it is now constructed, on the East by Interstate Highway No. 4 as it is now constructed, on the South by the Easterly projection of the North Right-Of-Way line at Candlewick Street as it is now constructed, and on the West by Douglas Road as it is now constructed.

Township 21 South, Range 29 East

Section 11: The west 1/2 of the Northwest 1/4 of the Northwest 1/4.

Township 21 South, Range 29 East

**Section 10:** The west 1/2 of the Northeast 1/4 of the Southeast 1/4 and the North 1/2 of the East 1/2 of the Northeast 1/4 of the Southeast 1/4.

Per Order No. 8354 in Docket No. 780097-W (EX) Water Service Area

In Township 20 South, Range 29 East, Seminole County, Florida.

**Section 33:** All of the West 1/2 of the East 1/4 of the Southwest 1/4 of said Section 33, lying South and West of Longwood-Wekiva Springs Road.

ALSO

Begin 164.1 feet West of South 1/4 section post of said Section 33; thence run South 0°15' East, 116.5 feet; thence South 31° West, 728.87 feet to the West line of the Northwest 1/4 of the Northeast 1/4 of Section 4.

In Township 21 South, Range 29 East, Seminole County, Florida.

Section 4: Thence North 741.26 feet to the North 1/4 section post of said Section 4; thence East 207 feet; thence North 1309.7 feet to the Southerly right-of-way line of Wekiva Springs Road; thence Southeast along said right-of-way, 250.0 feet; thence South 00°15' East, 1195.5 feet to the POINT OF BEGINNING.

Per Order No. 9846 in Docket No. 800643-WS (MC) Water and Wastewater Service Area

From the Southwest corner of the Southwest 1/4 of Section 25, Township 20 South, Range 29 East, Seminole County, Florida, run South 88°11'31" East along the South line of said Southwest 1/4 of Section 25, a distance of 64.53 feet thence North 02°16'39" East 22.19 feet to the point of beginning on the North right-of-way line of E. E. Williamson Road, thence run North 02°16'39" East along said North right-of-way line 25.00 feet; thence North 87°43'21" West 62.79 feet; thence North 86°09'12"-West 606.62 feet to the Easterly right-of-way line of Interstate Highway No. 4; thence run North 18°29'09" East along said Westerly right-of-way line 2005.81 feet to the West line of the aforesaid Southwest 1/4 of Section 25; thence run South 00°59'52" West along said West line 666.37 feet to the Northwest corner to the Southwest 1/4 of the Southwest 1/4 of said Section 25; thence run South 88°15'54" East along the North line of said Southwest 1/4 of the Southwest 1/4 of Section 25, a distance of 980.89 feet to the Northeast corner of the West 1/2 of the East 1/2 of aforesaid Southwest 1/4 of the Southwest 1/4 of Section 25; thence run South 00°37'23" West along the East line of said West 1/2 of the East 1/2 of the Southwest 1/4 of the Southwest 1/4 of Section 25, a distance of 1312.79 feet to the aforesaid North right-of-way line of E. E. Williamson Road; thence run North 87°37'53" West along said North right-of-way line 924.33 feet to the point of beginning containing therein 42.9669 acres more or less.

Per Order No. 10084 in Docket No. 810179-WS (EX) Water and Wastewater Service Area

Township 20 South, Range 29 East

Section 35: Beginning 963.93 feet East of Southwest corner of Southeast 1/4 of Southeast 1/4; run North 343.76 feet; thence

Northeasterly on curve (radius 2360.08 feet) 397.12 feet; thence South 454.26 feet; thence West to Point of Beginning.

Township 21 South, Range 29 East

Section 1: That part of Lots 5 and 6 in the following described property: Beginning 200.77 feet East of Northwest corner of Section 1, run thence East 201 feet; thence run Southwesterly 221 feet on road; thence run 92.5 feet to Beginning. Block B, Tract 4, Sanlando Springs.

Per Order No. 10326 in Docket No. 810362-WS (EX) Water and Wastewater Service Area

PARCEL 1: All of that part of the East 33 acres of the Southwest 1/4 of the Southeast 1/4 of Section 33, Township 20 South, Range 29 East, lying South and West of Longwood-Wakiva Springs Road, excepting, however, the right-of-way of public roads, highways and rights of public service lines traversing the above described property and excepting all railroad rights-of-way.

PARCEL 2: The East 1/2 of the Northwest 1/4 of the Northeast 1/4 of Section 4, Township 21 South, Range 29 East, excepting, however, the right-of-way of public roads, highways and rights of public service lines traversing the above described property and excepting all railroad rights-of-way, and except that part North and East of Longwood-Wekiva Springs Road.

PARCEL 3: All that part of the West 1/2 of the Northeast 1/4 of the Northeast 1/4 lying South and West of the Longwood Palm Springs-Wekiva Springs Road, Section 4, Township 21 South, Range 29 East, excepting, however, the right-of-way of public roads, highways and rights of public service lines traversing the above described property and excepting all railroad rights-of-way.

PARCEL 4: Beginning at the Southeast corner of the Northwest 1/4 of the Southeast 1/4 of the Northeast 1/4 of Section 4, Township 21 South, Range 29 East, run West 18.41 chains, North 55 degrees West 13.34 chains, North 2.47 chains, East 30 chains, and South 9.08 chains to the POINT OF BEGINNING.

PARCEL 5: The East 1/4 of the West 1/2 of the Northwest 1/4 of the Northeast 1/4, Section 4, Township 21 South, Range 29 East, containing 5 acres more or less and subject to restrictions of record and granted rights-of-way.

PARCEL 6: The West 1/4 of the Southwest 1/4 of the Southeast 1/4 of Section 33, Township 20 South, Range 29 East, lying South and West of Longwood-Wekiva Springs Road.

All of the above described property containing 65.7509 acres more or less.

Per Order No. 12567 in Docket No. 830237-WS (EX) Township 20 South, Range 29 East

Section 25: The Southeast 1/4 of the Southeast 1/4 of the Southwest 1/4, less the East 200 feet thereof, AND

The Northeast 1/4 of the Southeast 1/4 of the Southwest 1/4 AND

The Southeast 1/4 of the Northeast 1/4 of the Southwest 1/4 of said Section 25.

Per Order No. 14180 in Docket No. 840436-WS

Township 20 South, Range 29 East

Section 25 (Northridge Subdivision): The West 868 feet of the Southeast 1/4 of the Northwest 1/4 of said Section 25, AND

the South 500 feet of the West ½ of the Northwest 1/4 lying East of State Road 400 (Interstate 4)

the West 1/2 of the Northeast 1/4 of the Southwest 1/4, AND

the East 705 feet of the Northwest 1/4 of the Southwest 1/4 and part of the vacated Dixon Road right-of-way.

AND that area described as

Commencing at the South 1/4 corner of said Section 25; thence run North 00°00'43" West for a distance of 2648 feet to a concrete monument accepted as being the center of said Section and the point of Intersection of the center lines of Myrtle Lake Hills Road and Dixon Road; thence North 88°21'33" West for a distance of 648 feet along the centerline of said Dixon Road, thence South 00°14'27" West for a distance of 33 feet to a point on the South right-of-way line of said Dixon Road and the Point of Beginning; thence South 00°14'27" West for a distance of 1,290 feet; thence North 88°21'33" West a distance of 133 feet to the point of curvature of a curve concave to the Northeast, having a radius of 75 feet, thence Northwesterly along the arc of said curve,

through a central angle of 78°27'46" a distance of 103 feet to a point on the North right-of-way line of vacated Dixon Road, thence North 88°21'33" West along said North right-of-way line for 170 feet to a concrete monument on the Easterly right-of-way line of State Road 400 (Interstate 400); thence North 18°31'22" East along said Easterly right-of-way line a distance of 488 feet; thence South 88°21'33" West a for a distance of 923 feet; thence North 00°15'40" East a distance of 818 feet; thence South 88°32'59" East for a distance of 868 feet; thence South 00°15'40" East for a distance of 1,288 feet to a point on the North right-of-way line of Dixon Road; thence North 88°21'33" West along said North right-of-way line a distance of 220 feet; thence South 00°14'27" West for a distance of 66 feet to the Point of Beginning.

Per the Order No. 15331 in Docket No. 850551-WS Water and Wastewater Service Area

Lots 1, 2, 3, 4 and 5 of FOREST LAKE SUBDIVISION, as shown on the Plat thereof recorded in Plat Book 4, Page 8 of the Public Records of Seminole County, Florida.

AND:

That part of the East 1/2 of the Southwest 1/4 of Section 3, Township 21 South, Range 29 East, lying South of State Road 436. AND:

The East 1/2 of the Northwest 1/4 of Section 17, Township 21 South, Range 29 East, lying South of State Road 436.

Per the Order No. 15750 in Docket No. 860066-WS Water and Wastewater Service Area

Township 21 South, Range 29 East

That part of the Southwest 1/4, and the Southwest 1/4 of the Southeast 1/4, and the South 1/2 of the Northwest 1/4 (less the East 1/8 of the North 1/2 thereof) of Section 8, Township 21 South, Range 29 East, lying North of State Road 436; and that part of the East 1/2 of the Northwest 1/4, and the Northwest 1/4 of the Northeast 1/4, of Section 17, Township 21 South, Range 29 East, lying North of State Road 436.

ALSO: The West 1/2 of the Northwest 1/4 (less the South 2508 feet) of Section 17, Township 21 South, Range 29 East; and that portion of the Southwest 1/4 of the Southwest 1/4 of Section 8, Township 21 South, Range 29 East, lying South of State Road 436.

ALSO: Lots 48 and the West 40 feet of Lot 49, Forest Lake Subdivision, according to Plat recorded in Plat Book 4, Page 8, Public Records of Seminole County, Florida.

ALSO: The West 2/3 of the East 3/4 of the Southeast 1/4 of the Southeast 1/4 (less State Road 436 and that part thereof lying in Spring Lake Subdivision, Section 7, Township 21 South, Range 29 East).

ALSO: The following lots, or portions of lots, lying and being in Spring Lake Subdivision according to Plat recorded in Plat Book 8, Page 35, Public Records of Seminole County, Florida:

Lots 1 through 5, inclusive; the West 90 feet of Lots 6 through 10, inclusive; all of Lot 11; Lot 12 less the South 30 feet of the East 210 feet; the West 90 feet of Lot 13; Lots 15 through 23, inclusive.

Per the Order No. 16748 in Docket No. 861178-WU LEGAL DESCRIPTION

Water Service Area

Parts of Government Lots 1 and 2, Section 25, Township 20 South, Range 29 East, Seminole County, Florida, described as follows:

Commence at the Northwest corner of Government Lot 2; run thence along the North line of said Lot 2 for 33.00 feet to the Point of Beginning; thence North 01°34'47" West for 299.65 feet, thence South 89°45'21" East along the South line of Myrtle Lake Hills Subdivision as recorded in Plat Book 13, Pages 7 through 9 for 891.86 feet, thence South 00°25'03" East for 374.46 feet to a point on the North line of Shadow Hill Subdivision as recorded in Plat Book 17, Pages 61 through 63, thence North 89°29'02" West along said North line of Shadow Hill for 885.48 feet, thence North 00°42'26" West for 70.75 feet to the Point of Beginning. All being and lying in Seminole County, Florida, and containing 7.59 acres more or less.